

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

BOARD OF DIRECTORS

WEDNESDAY, MAY 20, 2015 AT 4:00 PM

IN THE MARY BRENNAN BOARD ROOM

T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (Corporation) Board of Directors was called to order by Chair, Jon Savage at 4:00 p.m., in the Mary Brennan Board Room at 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

BOARD MEMBERS PRESENT: Jon Savage; Paul Carroll; Michael Traficante; Christopher Little and Heather Tow-Yick (arrived at 4:05 p.m.).

BOARD MEMBER ABSENT: Russell Hahn and Deborah Thomas.

ALSO PRESENT: Kelly J. Fredericks, P.E., A.A.E., President and CEO; and those members listed on the attendance sheet attached hereto.

1. Approval of the Minutes:

A motion was made by Mr. Carroll to approve the minutes of the Board of Director's Meeting of April 15, 2015 and seconded by Mr. Little. The motion was passed unanimously.

2. Open Forum:

Mr. Savage asked if anyone present wanted to speak in Open Forum. No one came forward.

3. Report from President and CEO:

Mr. Fredericks presented the President and CEO Report and reported on the following:

- Mr. Fredericks reported that following the convening of the Board Meeting, a tour of the FIS Facility and the RIAC Police Department will be provided to the Board of Directors.**
- Mr. Fredericks announced Ms. Tow-Yick has been nominated as a 2015 Faces of Success Honoree by the Providence Business News.**
- Mr. Fredericks offered his condolence to the family, co-workers and friends of longtime airport supporter Mr. Jim Skeffington.**

- **Mr. Fredericks reported passenger travel was up 0.73% for the month of April and seating capacity was down approximately 5%. Year to date, passenger travel is down 1.48%. JetBlue was up 9.57% with no change in seating capacity. This represents the ninth consecutive month of positive growth for JetBlue. US Airways was down 8.82% on 10% less seating capacity and Delta was up 3.45% on 3% less seating capacity. United was up 5.73% on 12% increased seating capacity. Southwest was up 4.44% on 6% decreased capacity. Mr. Fredericks stated it is encouraging to see three of our carriers post positive growth for the month and two carriers are net positive for the year. Mr. Fredericks stated overall load factors for April 2015 were 88.37% compared to 84.78% in March. Mr. Fredericks stated that based on current trends and recent visits to Southwest, American, JetBlue headquarters and an upcoming visit to Delta headquarters, he remains encouraged that passenger growth is moving in a positive direction.**

- **Mr. Fredericks reported the market share for each airline is as follows: Southwest Airlines 48.82%, US Airways 23.13%, Delta Airlines 11.96%, JetBlue 8%, United 7.76% and charters at .5%.**

- **Mr. Fredericks reported air cargo was up 7.22% for the month of April. This was driven by a 20% growth of outbound cargo. Mr. Fredericks reported year to date cargo is down approximately 1.56% due to weather related cancellations in January and February.**

- **Mr. Fredericks reported a draft Air Cargo Study completed by Seabury Group, air service development consultants, will be sent to Board Members for review.**

Mr. Fredericks stated the report identifies a number of potential opportunities. RIAC continues to consider cargo a critical element of overall air service development.

Mr. Fredericks reported a meeting with UPS was held last month and a meeting with FedEx is being scheduled to discuss expansion potential.

- **Mr. Fredericks reported parking revenue for the prior month was up 5.7% with ticket sales down 0.5%. Mr. Fredericks reported off airport parking revenue was up 8.5% and ticket sales were down 4.7%. Mr. Fredericks stated RIAC's market share for all lots based on revenue is 82% and ticket sales are 87%. Mr. Fredericks stated RIAC will continue to monitor and manage its parking revenue and rework strategies.**

- **Mr. Fredericks reported RIAC continues to communicate and work with Shannon Airport to discuss cargo and passenger strategies as well as implementation of a Duty Free Shop that Shannon Airport is providing consultation on. T. F. Green's first Duty Free Shop is progressing for opening to coincide with the TACV inaugural flight on June 2nd. This will be another significant revenue opportunity for RIAC and another customer service enhancement for our passengers.**

- **Mr. Fredericks reported inaugural flight events will be hosted at T. F.**

Green Airport for TACV on June 2nd and June 18th for Condor Airlines. Ms. Goldstein reported the US Ambassador to Cape Verde will be flying out on the inaugural TACV flight and dignitaries will be invited to attend a short speaking program beginning at 5 p.m. Further information on the inaugural flight events for Condor Airlines will be provided to the Board as they become available.

- Mr. Fredericks reported Senator Jack Reed will be unable to attend the inaugural flight events and held a press conference on May 18th to promote international service at T. F. Green Airport. A guided tour of the FIS was provided by Customs and Border Protection for the media.**

- Mr. Fredericks reported Ms. Rose Hynes, Shannon Group Chair, will visit Rhode Island in June along with regional representatives for strategic meetings and familiarization tours from June 24 through June 26. The visit will conclude with a meeting hosted by Senator Reed and Governor Raimondo at the State House. Additional information will be provided to the Board as it become available.**

- Mr. Fredericks provided an update on the general aviation airports. Total passengers were up 28% for both Westerly and Block Island Airports and are on trend to reach 10,000 passengers and receive an additional \$850,000 grant from the FAA for use on capital projects. Mr. Fredericks reported operations were down 3.7%. Avgas fuel sales were up approximately 10.6%, jet fuel sales were up approximately**

42% and total fuel sales were up 34.7%.

- **Mr. Fredericks provided an update on solar panels and their potential for use at all the Rhode Island airports. Mr. Fredericks stated that Mr. Eric Offenbur, Director of Engineering with RITBA, has been a great advisor on this project. Mr. Fredericks reported on-call consultants have been contacted to provide a scope for a Solar Energy Feasibility Assessment. Following an evaluation and selection, a task order will be issued. A Notice to Proceed will then be issued and a report and recommendation are expected to be submitted 3 to 4 months later. Updates will be provided to the Board as they become available.**

- **Mr. Fredericks reported the General Aviation Working Group meeting was held on April 19th. Mr. Fredericks reported marketing and promotion goals for the general aviation airports were discussed. Mr. Fredericks stated these meetings are very productive and the goal remains to improve communication and establish a common agenda for growth at the general aviation airports.**

- **Mr. Fredericks reported a GA airports tour was conducted on April 30th to view various projects and meet with stakeholders.**

- **Mr. Fredericks reported an Open House was held at the new Newport State Airport terminal building to showcase the approximate \$1.4 million investment made to the facility on May 6th. Mr. Fredericks**

stated Senate President Paiva Weed and Representative Riley attended the event and toured the facility, providing excellent comments and information to the media.

• Mr. Fredericks reported he conducted a monthly meeting with Governor Raimondo's Deputy Chief of Staff Kevin Gallagher and a monthly meeting with Warwick Mayor Scott Avedisian. Mr. Fredericks stated these meetings are critical to maintain great working relationships and for exchanging information to keep all parties updated on important issues. Mr. Fredericks reported he continues to reach out to City of Warwick Council members and other elected officials on a regular basis to update them on airport issues and learn of their constituents' concerns. Mr. Fredericks reported an airport update and aerial tour was provided to Commerce Secretary Stefan Pryor and the Governor's Chief of Staff Stephan Neuman on April 23rd.

Mr. Fredericks reported an aerial tour of the PVD Expansion Program projects was provided to Mayor Scott Avedisian and Mr. John Howell of the Warwick Beacon on April 24th. Mr. Fredericks reported an airport briefing and tour was provided to Mr. Darin Early, COO of the Commerce Corporation on May 6th. Mr. Fredericks reported an airport update will be provided to Providence Mayor Elorza, his Chief of Staff Tony Simon and Mr. Brett Smiley, the Chief Operating Officer on June 4th.

- **Mr. Fredericks reported the Quonset Air Show has been scheduled for May 30 and 31, 2015.**
- **Mr. Fredericks reported RIAC continues to track legislation for federal reauthorization to adjust the Passenger Facility Charge (PFC) from \$4.50 to \$8.50 due to inflation. Mr. Fredericks stated updates will be provided to the Board as they become available.**
- **Mr. Fredericks provided an update on the Airport Expansion Program and noted the program is on schedule with the expected opening of the Extended Runway 5/23 on December 7, 2017. Mr. Fredericks reported there are a couple of high profile projects that will be completed soon and media events will be planned for them. The \$33.2 Million Glycol Treatment Facility, one of only four in the United States, is scheduled to be completed on May 30th and the new Winslow Park Athletic Complex that includes softball and soccer fields is scheduled for completion on July 1st.**
- **Mr. Fredericks reported, pending Board approval, the Notice to Proceed for the relocation of Main Avenue will be issued in June. Relocation is scheduled to begin this year and will be completed next year. Mr. Fredericks stated the existing Main Avenue will remain in place until the new Main Avenue is completed. There are no impacts to current traffic patterns expected during this construction.**
- **Mr. Fredericks reported volunteers of the PVD Pups dog therapy program continue to train on site and the program is anticipated to**

roll out in mid-June. Upon completion, handlers will wear clothing clearly marking them as part of the PVD Pup program and will be educated to be ambassadors for the airport. The dogs will be on leash at all times and wearing vests marking them as therapy dogs.

- Mr. Fredericks reported the Annual FAA Part 139 mandated inspection has been completed and a final report is expected soon. Mr. Fredericks commended Mr. Andrade and his team on a great job.

- Mr. Fredericks reported RIAC is working with HMS Host to close the Federal Tavern and relocate the Shipyard, currently located on the first level, to the food court on the concourse. This new location will provide additional options for passengers. The Starbucks location on the first floor will expand its dining area into the space previously housing the Shipyard.

- Mr. Fredericks provided an update on the RIAC Police Department customer service level and noted that customer service has increased in this department. Mr. Fredericks stated customer service enhancements are an overall effort at T. F. Green Airport.

- Mr. Fredericks reported a Rating Agency update meeting has been scheduled for the end of May.

4. Department Update:

(a) Police Department

(i) Safety, Security and Customer Service

The following updates were provided:

- Chief Leo Messier discussed the Mission Statement for the RIAC Police Department and provided an overview of the organizational chart for the department. It was noted that there are four patrol groups and three canine teams. Chief Messier reported there was a recent recruitment process for the Police Department, the first time in 13 years. There were over 200 applicants for available positions. There was discussion on the recruitment process and the training required to become a RIAC Police Officer.**
- Deputy Chief Stephen Cahill provided an overview of airport security. Deputy Cahill discussed federal regulations requiring each airport to create, maintain and update an Airport Security Program (ASP) and outlined the measures contained in the program.**
- Deputy Chief Cahill discussed federal regulations requiring Police Officers to be available and committed to responding to an incident within three minutes of a request for assistance. There was also discussion on the regulation requiring allowing the Transportation Security Agency (TSA) to make inspections or tests and allow**

copying of documents to determine compliance with regulations.

- **Inspector Joseph Ottaviano provided an overview of the primary functions of the patrol division including compliance with the ASP, crime prevention and apprehension, basic first aid and traffic enforcement. It was noted that police activity fluctuates based on passenger counts. There was discussion on dispatch and their responsibilities including: calls for service, monitoring security camera systems, criminal background checks, monitoring radios and recording and logging calls and responses.**

- **Inspector Ottaviano provided an overview of anti-terror and crime activities that occur at airports and the training and investigation techniques used by the RIAC Police Department to respond to these incidents.**

- **An overview of the K-9 Units training requirements, utilization and TSA guidelines was provided. Officer Diniz and bomb detection canine Paddy provided a demonstration of detection.**

- **An overview on agency coordination for protection of dignitaries was provided.**

- **Inspector Ottaviano gave an overview on investigation tools and procedures used to prevent and prosecute crimes committed on airport property. Inspector Ottaviano discussed mandatory training**

for all RIAC Police Officers.

- **Chief Messier detailed training sessions provided to RIAC Police Officers including customer service, first aid and human trafficking. Chief Messier discussed cooperation with outside agencies, interagency training and participation in ALEAN (Airport Law Enforcement Agency Network).**

5. Action Items:

(a) Consideration of and Action Upon First Amendment to the Signatory Airline Operating Agreement and Terminal Building Lease.

Mr. Fredericks provided an overview of this item and noted this agreement is for an additional five years. Mr. Schattle noted that terms in this agreement were updates to provide for joint use spaces with the addition of international service. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute the First Amendment to the Airline Operating Agreement and Terminal Building Lease in substantially the form presented.

A motion was made by Mr. Traficante and seconded by Mr. Carroll to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) current Signatory Airline Agreement expires on June 30, 2015 and contains an option to extend the agreement for a five-year period through June

30, 2020 by mutual written agreement; and

WHEREAS, RIAC staff has negotiated the First Amendment to the Airline Operating Agreement and Terminal Building Lease with the primary purpose to extend the term through June 30, 2020; and

WHEREAS, RIAC staff and the Signatory Airlines have agreed upon several language updates primarily driven by the introduction of regularly scheduled international service and

the potential service by air carriers that will not use Joint Use Space; and

WHEREAS, the amendment also adds a classification for purposes of insurance requirements for an airline that operates nine seats or less; and

WHEREAS, attached hereto is a draft of the First Amendment to the Airline Operating Agreement and Terminal Building Lease.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute the First Amendment to the Airline Operating Agreement and Terminal Building Lease in substantially the form presented.

The motion was passed unanimously.

(b) Consideration of and Action Upon Enterprise Rent A Car Company of Rhode Island. LLC, Development of Rental Car Support Area at T. F. Green Airport.

Mr. Fredericks gave an overview of this item and noted it is for development of current and future needs to establish a larger support area. Mr. Little asked how the lease rate was determined. Mr. Schattle stated it is based on the lease appraisal from the prior year. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Lease and Operating Agreement in substantially the form presented, with Enterprise Rent A Car of Rhode Island, LLC.

A motion was made by Mr. Traficante and seconded by Ms. Tow-Yick to approve the following resolution:

WHEREAS, Enterprise Rent a Car Company of Rhode Island, LLC (Enterprise) has been a successful long term tenant of the Rhode Island Airport Corporation (RIAC) and is operating from within the Interlink Facility of T. F. Green Airport; and

WHEREAS, the operational nature of Enterprise's business has prompted the proposed development of a maintenance operation with demolition of existing structures and construction of an associated

vehicle parking area by Enterprise on approximately 5.44 acres of RIAC aviation-use property that formerly served as the Airfield Maintenance Facility on Airport Road; and

WHEREAS, Enterprise will also lease a privately-owned parcel adjacent to the RIAC property; and

WHEREAS, the Federal Aviation Administration (FAA) has approved the proposed use; and

WHEREAS, the Lease and Operating Agreement will contain an additional five, five year options, for a potential term length of thirty years, with ground rent during the option term(s) escalating annually by the Consumer Price Index; and

WHEREAS, RIAC has determined that the proposed rent constitutes fair market value, and that the value of the airport improvements are anticipated to exceed \$2,800,000, and shall become RIAC property upon lease expiration.

WHEREAS, Enterprise has proposed a five year Lease and Operating Agreement based on 236,966 square feet with annual payments as follows:

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Lease and Operating Agreement in substantially the form presented, with Enterprise Rent A Car of Rhode Island, LLC.

The motion was passed unanimously.

(c) Consideration of and Action Upon Award of Auditing Services.

Mr. Savage stated that Ms. Thomas has reviewed this item and asked that the following statement be read into the record:

In connection with the recommendation for the award of auditing services, I want to advise the Board of my participation in the process.

In the initial stages of the RFP process, I reviewed the RFP and am comfortable it included all audit services required by the Rhode Island Airport Corporation (RIAC) on an annual basis.

Upon receipt of the proposals, I reviewed each submission with RIAC management and agreed the topics of interview questions we sufficient to ensure management had a good base from which to assess the capabilities of the four respondents firms to complete the audit services for the airport.

Based on the response to the RFP and the interview process, McGladrey LLP was chosen by the selection committee. This selection was also confirmed by the State Auditor General and the Director of Administration.

Therefore, because of the firm's extensive experience in the airport industry, their

Balanced, but comprehensive audit approach and the inclusive cost structure, I support management's recommendation for the selection of McGladrey LLP as the external audit firm for RIAC for one year period with two one-year renewal options at RIAC's discretion.

The recommendation is that the Board authorizes the engagement of McGladrey LLP to provide Auditing Services to the Rhode Island Airport Corporation for a one year period with two, one year renewal options at the sole discretion of RIAC.

A motion was made by Mr. Traficante and seconded by Mr. Little to approve the following resolution:

WHEREAS, the Rhode Island Airport Corporation (RIAC) issued a Request for Proposals (RFP) on February 24, 2015 for Auditing Services and conducted a selection process pursuant to RIAC's Procurement Rules; and

WHEREAS, the selected firm will provide Auditing Services including, but not limited to, the audits of annual financial statements, the Federal Single audits and the Passenger Facility Charge (PFC) audits for the Fiscal Years 2015, 2016 and 2017; and

WHEREAS, a Selection Committee comprised of: Brian Schattle, Senior Vice President Finance and Commercial Enterprise; Doug Dansereau, Chief Auditor; Nicole Williams, Vice President and Chief Financial Officer and Jeffrey Goulart, Assistant Vice President Finance Administration, was formed to evaluate the responses to the RFP; and

WHEREAS, the Selection Committee received four proposals and selected McGladrey LLP to provide Auditing Services for a one year period with two, one year renewal options at the sole discretion of RIAC; and

WHEREAS, the proposed Fiscal Year 2016 Operating and Maintenance (O&M) Budget will include \$46,300 for these services; and

WHEREAS, the selection of McGladrey has been approved by the offices of the State of Rhode Island Auditor General and Director of Administration.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the engagement of McGladrey LLP to provide Auditing Services to the Rhode Island Airport Corporation for a one year period with two, one year renewal options at the sole discretion of RIAC.

The motion was passed unanimously.

(d) Consideration of and Action Upon Approval of a Purchase Order to Upgrade Interior Standard Lighting to LED Lighting at T. F. Green Airport.

Mr. Fredericks gave an overview of this item and Mr. Schattle noted this is a continuation of the lighting program. It was noted the cost for replacing the existing lighting will be paid for through the utility bill over a 36 month period. The recommendation is that the Board authorizes the President and CEO, or his designee, to enter into a Purchase Order with National Grid and Energy Source to upgrade exterior property standard lighting to LED type lighting at T. F. Green Airport, in the amount of \$1,477,210.

A motion was made by Mr. Little and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, Rhode Island Airport Corporation (RIAC) staff has been working with National Grid on an energy conservation program; and

WHEREAS, National Grid, working with their internal expeditor, Energy Source, provided RIAC with a proposal costing a total of \$3,187,861; and

WHEREAS, National Grid would apply \$1,710,651 of rebates to this proposal resulting in a net cost to RIAC of \$1,477,210; and

WHEREAS, RIAC, working with National Grid, estimates the annual savings as a result of implementing this program is approximately \$651,677 resulting in a payback of approximately three years; and

WHEREAS, the cost for this program is in the approved Fiscal Year 2016 Capital Improvement Program (CIP) budget in the amount of \$1,477,210.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to enter into a Purchase Order with National Grid and Energy Source to upgrade exterior property standard lighting to LED type lighting at T. F. Green Airport, in the amount of \$1,477,210.

The motion passed unanimously.

(e) Consideration of and Action Upon Approval of Construction

Contracts for Vegetation Obstruction Removal at Westerly State Airport and Newport State Airport.

Mr. Fredericks gave an overview of this item and stated this obstruction removal is being done in stages. Mr. Frazier noted the eminent domain process is used for these obstructions to allow for a more efficient process. Ms. Tow-Yick asked about the variance on the lower bidder. Mr. Frazier stated the variance is based on availability of service providers. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with Northern Tree Service, Inc. for Vegetation Obstruction Removal at Westerly State Airport in the amount of \$320,818, and Newport State Airport in the amount of \$166,026, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, subject to receipt of two federal grant offers.

A motion was made by Mr. Traficante and seconded by Ms. Tow-Yick to approve the following resolution:

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for Vegetation Obstruction Removal at Westerly State Airport and Newport State Airport; and

WHEREAS, on March 27, 2015, RIAC issued an Invitation for Bids

(IFB) for this project; and

WHEREAS, two bids were received on April 22, 2015; and

WHEREAS, Stantec Consulting Services Inc. (Stantec), RIAC's Design Consultant for this project, has determined that the bid submitted by Northern Tree Service, Inc. (Northern) in the total amount of \$486,844 is the lowest responsive and responsive bid; and

WHEREAS, RIAC staff agrees with Stantec's determination and recommends award of the Contracts to Northern; and

WHEREAS, these projects will be included in the Fiscal Year 2016 Capital Improvement Program (CIP) budget; and

WHEREAS, RIAC has submitted grant applications for both Westerly State Airport and Newport State Airport to the Federal Aviation Administration to fund 90% of these costs (\$438,160) with RIAC's matching 10% (\$48,684) from General Purpose Funds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with Northern Tree Service, Inc. for Vegetation Obstruction Removal at Westerly State Airport in the amount of \$320,818, and Newport State Airport in the amount of

\$166,026, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, subject to receipt of two federal grant offers.

The motion passed unanimously.

(f) Consideration of and Action Upon Approval of a Construction Contract for the Relocation of Main Avenue at T. F. Green Airport AND Consideration of and Action Upon Approval of a Consultant Task Order for the Relocation of Main Avenue at T. F. Green Airport.

Mr. Little recused himself from the vote and left the Board table.

Mr. Fredericks gave an overview of the item and noted a Notice to Proceed is anticipated to be issued in June. Mr. Frazier noted consultant services will be continued as continuation of a Task Order issued as part of a Professional Service Agreement. Ms. Tow-Yick asked about the substantial difference in bids. Mr. Frazier stated both bids were validated and the checked against the value engineer opinion of cost. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with John Rocchio Corporation for the Relocation of Main Avenue,

which is included in the Fiscal Year 2015 Capital Improvement Program budget, in an amount of \$6,635,375, subject to receipt of a federal grant offer AND That the Board authorizes the President and

CEO, or his designee, to execute a Task Order with Gordon Archibald, Inc. for

Construction Administration and Resident Engineering Services, in the amount of \$545,890, which is included in the Fiscal year 2015 Capital Improvement Program budget, subject to receipt of a federal grant offer.

A motion was made by Ms. Tow-Yick and seconded by Mr. Traficante to approve the following resolutions:

(i)

WHEREAS, the relocation of Main Avenue is one of the enabling projects that will allow for the extension of Runway 5-23 at T. F. Green Airport; and

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for the Relocation of Main Avenue; and

WHEREAS, on March 19, 2015, RIAC issued an Invitation for Bids (IFB) for this project; and

WHEREAS, six bids were received on April 21, 2015; and

WHEREAS, Gordon Archibald, Inc. (GRA), RIAC's Design Consultant

for this project, has determined that the bid submitted by John Rocchio Corporation (John Rocchio) in the amount of \$6,635,375 is the lowest responsive and responsive bid; and

WHEREAS, RIAC staff agrees with GRA's determination and recommends award of this contract to John Rocchio; and

WHEREAS, the project is approved in the Fiscal Year 2015 Capital Improvement Program (CIP) budget; and

WHEREAS, RIAC has submitted a grant application to the Federal Aviation Administration to fund 90% of the costs (\$5,971,838) with RIAC's matching 10% (\$663,537) from Passenger Facility Charges and/or bonds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Construction Contract with John Rocchio Corporation for the Relocation of Main Avenue, which is included in the Fiscal Year 2015 Capital Improvement Program budget, in an amount of \$6,635,375, subject to receipt of a federal grant offer.

(ii)

WHEREAS, the relocation of Main Avenue is one of the enabling projects that will allow for the extension of Runway 5-23 at T.F. Green

Airport; and

WHEREAS, On March 1, 2013, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with Gordon Archibald, Inc. (GRA) to provide On-Call Civil Engineering Services; and

WHEREAS, on August 21, 2013 the Board of Directors approved a Task Order with GRA for the Design of the Relocation of Main Avenue; and

WHEREAS, to date, two Task Orders totaling \$976,789 have been issued under this PSA; and

WHEREAS, RIAC staff negotiated a Scope and Fee with GRA in the amount of \$545,890 to perform Construction Administration and Resident Engineering Services; and

WHEREAS, the Federal Aviation Administration (FAA) reviewed the Scope and Fee and on May 11, 2015 approved the Task Order; and

WHEREAS, the project is approved in the Fiscal Year 2015 Capital Improvement Program (CIP) budget; and

WHEREAS, RIAC has submitted a grant application to the Federal Aviation Administration to fund 90% of the costs (\$491,301) with

RIAC's matching 10% (\$54,589) share funded from Passenger Facility Charges and/or bonds.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with Gordon Archibald, Inc. for Construction Administration and Resident Engineering Services, in the amount of \$545,890, which is included in the Fiscal year 2015 Capital Improvement Program budget, subject to receipt of a federal grant offer.

The motion was passed by four affirmative votes, with one Board Member recusing himself from voting. The vote was as follows:

YEAS: Jon Savage

Mike Traficante

Paul Carroll

Heather Tow-Yick

NAYS: None

RECUSE: Christopher Little

(g) Consideration of and Action Upon Approval of a Consultant Task Order for Phase 3 of the 2025 Build Voluntary Land Acquisition

Program at T. F. Green Airport.

Mr. Frazier gave an overview of this item and noted there are eight properties included in the task order and it is part of a multi-phase program that includes demolition. It was noted that the homeowners and the City of Warwick have been happy with the professionalism and services provided by WD Schock. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Task Order with W.D. Schock Company, Inc. in the amount of \$408,593, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, for Acquisition and Relocation Services associated with Phase 3 of the 2025 Build Voluntary Land Acquisition Program at T. F. Green Airport.

A motion was made by Ms. Tow-Yick and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, on October 20, 2010, the Board approved the selection of W.D. Schock Company, Inc. (Schock) to provide On-Call Land Acquisition and Relocation Services and Avigation Easement Acquisition Services for the Rhode Island Airport Corporation (RIAC); and

WHEREAS, to date, fourteen Task Orders in the amount of \$7,500,697 have been issued under this Agreement; and

WHEREAS, Phase 3 of the 2025 Build Voluntary Land Acquisition Program incorporates the acquisition and demolition of an additional eight homes; and

WHEREAS, RIAC staff negotiated a Scope and Fee from Schock in the amount of \$408,593 to perform the above referenced services; and

WHEREAS, RIAC was approved by the Federal Aviation Administration (FAA) to utilize an existing federal grant from the 2020 No-Build Voluntary land Acquisition program to fund this phase of the project; and

WHEREAS, the FAA reviewed the Scope and Fee and on May 12, 2015 and approved the Task Order; and

WHEREAS, based on an estimated Notice to Proceed date of June 1, 2015, RIAC anticipates that this phase of the project will be completed by June 2016 and will reflect this updated schedule in the Fiscal Year 2016 Capital Improvement Program budget.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with W.D. Schock Company, Inc. in the amount of \$408,593, which will be included in the Fiscal Year 2016 Capital

Improvement Program Budget, for Acquisition and Relocation Services associated with Phase 3 of the 2025 Build Voluntary Land Acquisition Program at T. F. Green Airport.

The motion passed unanimously.

(h) Consideration of and Action Upon Approval of a Construction Contract for Services Associated with Phases 2B and 3 of the Sound Mitigation Program at T. F. Green Airport AND Consideration of and Action Upon Approval of a Consultant Task Order for Phases 2B and 3 of the Sound Mitigation Program at T. F. Green Airport.

Mr. Frazier gave an overview of this item and noted that it includes 148 homes and condominiums and all pre-work has been completed and this will be for the installation of the sound mitigating equipment.

Mr. Frazier noted this has been a well-received program. Ms. Tow-Yick asked about the variance from estimate to budget. Mr. Schattle stated that variance is due to additional funds being available from the FAA to accelerate the program allowing for additional properties being added to this phase of the project. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute two (2) Construction Contracts with Northeast Noise Abatement Corporation in the total amount of \$7,095,000, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, for services associated with Phase 2B

and Phase 3 of the Sound Mitigation Program at T. F. Green Airport, subject to receipt of a federal grant offer AND That the Board authorizes the President and CEO, or his designee, to execute a Consultant Task Order with The Jones Payne Group to perform Construction Administration and Resident Engineering services for 75 homes and 40 condominiums in the amount of \$693,861, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget and provide Consultant Services related to the Sound Mitigation Program for T. F. Green Airport, subject to receipt of a federal grant offer.

A motion was made by Mr. Little and seconded by Ms. Tow-Yick to approve the following resolutions:

(i)

WHEREAS, a competitive bidding process was undertaken according to the Rhode Island Airport Corporation's (RIAC) procurement rules for services associated with Phase 2B and 3 of the Sound Mitigation Program at T. F. Green Airport; and

WHEREAS, on March 27, 2015, RIAC issued an Invitation for Bids (IFB) for 58 homes included in Phase 2B and 90 homes and 40 condominiums in Phase 3; and

WHEREAS, on April 21, 2015 RIAC received one sealed bid from Northeast Noise Abatement (NENA) for each of the phases; and

WHEREAS, the Jones Payne Group, Inc. (JPG), RIAC's Program Manager for this project, reviewed the bid submitted by NENA in the amount of \$2,677,000 for Phase 2B and \$4,418,000 for Phase 3 and determined that the bids were responsive and responsible; and

WHEREAS, RIAC staff agrees with JPG's determination and recommends award of these Contracts to NENA; and

WHEREAS, these Contract will be awarded to NENA subject to receipt of a federal grant offer; and

WHEREAS, this project will be included in the Fiscal year 2016 Capital Improvement Program (CIP) Budget in the amount of \$13,016,934; and

WHEREAS, RIAC has submitted a grant application to the Federal Aviation

Administration to fund 90% of the costs (\$3,976,200) with RIAC's matching 10% (\$441,800) share funded from Passenger Facility Charges.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute two (2) Construction Contracts with Northeast Noise

Abatement Corporation in the total amount of \$7,095,000, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, for services associated with Phase 2B and Phase 3 of the Sound Mitigation Program at T. F. Green Airport, subject to receipt of a federal grant offer.

(ii)

WHEREAS, on February 13, 2013, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement with The Jones Payne Group (JPG) to provide Consultant Services related to the Sound Mitigation Program for T. F. Green Airport; and

WHEREAS, to date, six Task Orders in the amount of \$3,824,602 have been issued under this Agreement; and

WHEREAS, RIAC staff has negotiated a Scope and Fee with JPG in the amount of \$693,861 to perform the Construction Administration and Resident Engineering services for 75 homes and 40 condominiums; and

WHEREAS, the Federal Aviation Administration (FAA) has reviewed and approved this Task Order; and

WHEREAS, this project will be included in the Fiscal year 2016 Capital Improvement Program (CIP) Budget in the amount of \$13,016,934; and

WHEREAS, RIAC has submitted a grant application to the FAA to

fund 90% of the costs (\$624,475) with RIAC's matching 10% (\$69,386) share funded from Passenger Facility Charges.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Consultant Task Order with The Jones Payne Group to perform Construction Administration and Resident Engineering services for 75 homes and 40 condominiums in the amount of \$693,861, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget and provide Consultant Services related to the Sound Mitigation Program for T. F. Green Airport, subject to receipt of a federal grant offer.

The motion passed unanimously.

(i) Consideration of and Action Upon Approval of a Consultant Task Order for Phase 4 – Sound Mitigation Program at T. F. Green Airport. Mr. Fredericks gave an overview of this item. The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a Task Order with The Jones Payne Group in the amount of \$1,384,105, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, to provide Consultant Services associated with Phase 4 of the Noise Mitigation Program at T. F. Green Airport.

A motion was made by Ms. Tow-Yick and seconded by Mr. Traficante to approve the following resolution:

WHEREAS, on February 13, 2013, the Rhode Island Airport Corporation (RIAC) entered into a Professional Services Agreement (PSA) with The Jones Payne Group (JPG) to provide Consultant Services related to the Sound Mitigation Program for T. F. Green Airport; and

WHEREAS, to date, six Task Orders in the amount of \$3,824,602 have been issued under this PSA; and

WHEREAS, RIAC staff has negotiated a Scope and Fee with JPG in an amount not to exceed \$1,384,105 to provide public outreach, document control, home assessment, acoustical testing and design and bid of identified mitigation measures; and

WHEREAS, the Federal Aviation Administration (FAA) reviewed the Scope and Fee on May 7, 2015 and approved the Task Order; and

WHEREAS, the project will be included in the Fiscal Year 2016 Capital Improvement Program (CIP) budget in the amount of \$8,751,000; and

WHEREAS, this Task Order will be initially funded from General Purpose Funds and RIAC will seek a Federal Fiscal year 2016 grant

from the FAA to fund for 90% of this project.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a Task Order with The Jones Payne Group in the amount of \$1,384,105, which will be included in the Fiscal Year 2016 Capital Improvement Program Budget, to provide Consultant Services associated with Phase 4 of the Noise Mitigation Program at T. F. Green Airport.

The motion passed unanimously.

6. Executive Session:

At approximately 5:14 p.m. a motion was made by Mr. Carroll and seconded by Mr. Little to go into Executive Session for the purpose of discussing the following items:

(a) Motion to Approve the Minutes of the Executive Session held on April 15, 2015 § 42-46-5(a),(2) and (7); and

(b) Investment of Public Funds Where Premature Disclosure Would be Detrimental to the Public Interest (Air Service Development) – R.I.G.L. § 42-46-5(a)(7); and

(c) Discussions Related to Three Nonpublic Potential Litigation Matter

(Insurance Claim, Construction Dispute and GA Airport Issue) and One Public Litigation Matter (Bogosian vs. RIAC) – R.I.G.L. § 42-46-5(a)(2); and

(d) Motion to Return to Open Session.

By the following roll call vote the motion was passed unanimously.

YEAS: Jon Savage

Paul Carroll

Michael Traficante

Heather Tow-Yick

Christopher Little

NAYS: None

ABSTAIN: None

At approximately 5:46 p.m., Mr. Traficante left the meeting.

At approximately 6:32 p.m., a motion was made by Mr. Carroll and seconded by Mr. Savage to return to Open Session.

The motion passed unanimously.

7. Action Item:

(a) Consideration of and Action Upon Execution of a Property Claim Settlement with American Guarantee and Liability Insurance Company.

The recommendation is that the Board authorizes the President and CEO, or his designee, to execute a property claim settlement with the American Guarantee and Liability Insurance Company in the amount of \$600,000.

A motion was made by Ms. Tow-Yick and seconded by Mr. Little to approve the following resolution:

WHEREAS, on May 23, 2014, the failure of a twin 54” culvert was discovered under Runway 16-34 at Quonset State Airport causing the immediate closing of the runway; and

WHEREAS, the Rhode Island Airport Corporation (RIAC) notified its property insurance carrier, American Guarantee and Liability Insurance Company (American), and our insurance broker, Willis of Massachusetts (Willis), of the potential loss, to preserve RIAC’s rights under the policy; and

WHEREAS, American has proposed to RIAC a claim settlement in the amount of \$600,000; and

WHEREAS, Willis has reviewed the claim settlement and recommends RIAC accept the proposal; and

WHEREAS, RIAC staff agrees with Willis' recommendation.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

That the Board authorizes the President and CEO, or his designee, to execute a property claim settlement with the American Guarantee and Liability Insurance Company in the amount of \$600,000.

The motion passed unanimously.

8. Post Executive Session Actions and Announcements:

(a) Motion to Seal the Minutes of the Executive Session Held on May 20, 2015.

A motion was made by Mr. Carroll to seal the minutes of the Executive Session in accordance with R.I.G.L. § 42-46-4 by the following roll call vote.

The motion was passed as follows:

YEAS: Jon Savage

Paul Carroll

**Michael Traficante
Heather Yow-Tick
Christopher Little**

NAYS: None

ABSTAIN: None

(b) Report on Actions Taken in Executive Session.

During the Executive Session, a motion was made by Mr. Carroll and seconded by Mr. Little approve the sealed minutes of the Executive Sessions held on April 15, 2015. The motion passed unanimously.

8. Future Meetings:

The next Board Meeting will be held on Wednesday, June 17, 2015 at 4:00 p.m., in the Mary Brennan Board Room, T. F. Green Airport, Warwick, Rhode Island.

9. Adjournment:

Mr. Carroll moved to adjourn at approximately 6:34 p.m. Mr. Little

seconded the motion.

The motion was passed unanimously.

Respectfully submitted,

Jon Savage, Chair

Rhode Island Airport Corporation

**PUBLIC ATTENDANCE SHEET
RHODE ISLAND AIRPORT CORPORATION
MEETING OF THE BOARD OF DIRECTORS
WEDNESDAY, MAY 20, 2015**

NAME AFFILIATION

Brian Schattle RIAC

Peter Frazier RIAC

Patricia Goldstein RIAC

Alan Andrade RIAC

Liberty Luciano RIAC

Sherri Ann Penta RIAC

Bruce Wilde RIAC

Leo Messier RIAC

Doug Dansereau RIAC

Dan Porter RIAC

Timothy Pimental RIAC

Nicole Williams RIAC

Paul McDonough RIAC

Stephen Cahill RIAC

Jeffrey Goulart RIAC

Joseph Ottaviano RIAC

Robert Geoff New England Parking

Joe Barra Robinson and Cole

Peter Gray-Mullen AI Engineers

The minutes of the Executive Session of the Board Meeting of May 20, 2015 have been sealed in accordance with R.I.G.L. § 42-46-4.